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## DOCUMENTS

### *I. Observations of London Merchants on American Trade, 1783.*

THE original of the document here presented was found by the managing editor of this journal among the Pitt Papers at Orwell Park, Ipswich, the country seat of Captain E. G. Pretyman, M.P., to whose courtesy, and that of Mr. E. H. Hancox, librarian at Orwell Park, we are indebted for an opportunity to print it. The "Observations" were no doubt prepared for Pitt's information when the American Intercourse Bill was under consideration in Parliament in the spring of 1783. They are of particular interest because they set forth in some detail the collective views of a body of men whose interests were much at stake and whose opinions would naturally be consulted by any ministry seeking to determine the commercial policy of the nation.

The provisional treaty between Great Britain and the United States signed on November 30, 1782, had left the question of commercial relations between the two countries unsettled, but it was still hoped both by the American commissioners and also by some in British councils that provision for the restoration of commerce might yet be included in the definitive treaty or else that a separate commercial treaty might be negotiated; efforts to this end were accordingly continued, although without result, almost to the moment of signing the definitive treaty. There was, indeed, as yet no well settled opinion among Englishmen as to the form which the new commercial relations with their former colonies should take. It was inevitable that a strong faction should desire to continue the policy of the Navigation Acts and to retain for England a monopoly of the carrying trade; the mercantile interests on the other hand, while not yet espousing the doctrine of free trade, were nevertheless in favor of important relaxations of the restrictive policy. Between the two extremes there were several shades of opinion. Besides, there were the merchants and planters of the West India colonies, who were vitally interested in the direct trade with the United States. Meanwhile the pressing necessity for some provision for the restoration of trade relations with the United States was keenly felt, although it was generally conceded that any measures then adopted would probably be but temporary. Accordingly, on March 3, Pitt, who was then chancellor of the Exchequer, and at the time a strong advocate of a liberal commercial policy toward the United

States, introduced in the House of Commons a "Bill for the provisional Establishment and Regulation of Trade and Intercourse between the Subjects of Great Britain and those of the United States of North America."<sup>1</sup> The bill provided, in addition to the repeal of the prohibitory acts, that American vessels might enter British ports in the same manner as vessels of other nations and that American goods should be liable only to the same duties as if they had been imported in British vessels; it also allowed the same drawbacks and bounties on exports from Great Britain to the United States as on exports to British colonies in America and permitted a direct trade between the United States and the West Indian colonies on the same terms as to British subjects.<sup>2</sup> The bill was extensively debated during the next few weeks, was vigorously attacked by the advocates of the Navigation policy, led by Lord Sheffield,<sup>3</sup> and was so radically amended<sup>4</sup> that Pitt finally hesitated whether to push it further.<sup>5</sup>

<sup>1</sup> *Journals of the House of Commons*, XXXIX. 265. It was Townshend however who made the motion for leave to bring in this bill, urging that, until a general commercial system should be completed, it was highly important that some provisional regulation should be enacted. (See Debrett, *Parliamentary Register . . . of the House of Commons*, IX. 296.) Previously (on January 29) David Hartley had moved for leave to bring in a bill repealing the prohibitory acts (*ibid.*, p. 192; *Journals*, XXXIX. 123).

<sup>2</sup> An abstract of the bill is in the *London Chronicle*, March 6-8, 1783.

<sup>3</sup> Lord Sheffield pursued the attack in a pamphlet, *Observations on the Commerce of the American States*, which speedily ran to a sixth and greatly enlarged edition and seems to have had much influence in shaping the policy then adopted. The cause of the mercantile interests was voiced by Richard Champion, who came out shortly afterward with *Considerations on the Present Situation of Great Britain and the United States of America*. The spokesman of the West Indian colonies was Brian Edwards, *Thoughts on the late Proceedings of Government respecting the Trade of the West India Islands with the United States of America*. Numerous other writers aired their views.

<sup>4</sup> During the debate on March 17 "Mr. William Pitt informed the committee, that the American commissioners at Paris, had seen the outlines of the bill, and were highly pleased at the generosity of Britain, and made no doubt but America would do every thing in her power to promote the interests of this country. This was answered by several speakers, who argued, that if the American commissioners liked the bill as originally introduced, their approbation could not be construed to the bill in its present form, as nothing could be more dissimilar than the two bills were in shape and tendency." (*Parliamentary Register*, IX. 501.) Henry Laurens, who was in London at the time and seems to have been frequently consulted by members of Parliament concerning the bill, was rather antagonistic. (See especially his letters of March 6, 15, 17, 26, and April 4, 5, and 10, in Wharton, *Dipl. Corr.*, VI.) Jay, on the other hand, was decidedly favorable to the measure: "Mr. Pitt's bill was a good one, a wise one, and one that will forever do honor to the extent and policy of his views, and to those of the administration under whose auspices it was formed." (Jay to Vaughan, March 28, *ibid.*, p. 349.) Adams was also inclined to like the bill.

<sup>5</sup> The course of the bill in the House of Commons may be traced in the *Journals*, XXXIX. 265, 270, 278, 284, 289, 293, 295, 301, 303, 308, 316, 320, 325, 346, 353, 362, 409, 429. The fullest record of the debates is found in *Parlia-*

If the House, he said on April 2, was agreed in general upon the principle of the bill, he thought they might proceed; otherwise he would approve its postponement to a future day.

On March 20 Sir Cecil Wray said during the debate that the merchants had advertised a meeting upon the subject and that it would be better to wait for their sense of the principle of the bill and of its several clauses.<sup>6</sup> On March 27 Pitt stated on the floor of the House that "the American merchants of the city of London had called a meeting upon the subject, and had since applied to him, desiring a little more time to digest their ideas, and make up their minds upon the business". In order, therefore, to give those who were so deeply interested in the effect of the bill the opportunity of maturing their opinions upon it, he would ask that the consideration of the bill be postponed until Friday.<sup>7</sup> Again, on Friday (March 28),<sup>8</sup>

Mr. Chancellor Pitt informed the House, that there had been several meetings of the merchants of London trading to America, who had come to various resolutions on the different clauses in the bill, which they had thought proper to communicate to his majesty's Ministers: Their report was well worthy of the most serious considerations; but as he had not seen it till this day, he had not had time to consider it: In order, however, to have time to peruse the report before any farther proceeding should be had on the bill, he would move that the farther consideration of it should be postponed till Monday.

On Monday however Pitt announced his resignation from office, and on April 2 a new ministry came into power, and although Pitt's bill was further considered on April 2 and April 9,<sup>9</sup> it thereafter died of postponements. The "Observations" of the London merchants, notwithstanding they bear the date July 22, may be identical with the report that was presented to Pitt on March 28; or they may be a later fruition of the merchants' views;<sup>10</sup> an extensive, though not exhaustive, investigation has failed to discover other mention of such a document at this time.<sup>11</sup> At all events, as Parliament ad-

*mentary Register*, IX. 296, 409-446, 474-484, 501-503, 504-509, 540, 546, 547, 592-597, 600-603. The more important parts of the debates of March 7 and 11 and April 9 are contained in Cobbett's *Parliamentary History*, XXIII. 602-615, 640-646, 724-730.

<sup>6</sup> *Parliamentary Register*, IX. 508.

<sup>7</sup> *Ibid.*, p. 540.

<sup>8</sup> *Ibid.*, p. 546.

<sup>9</sup> *Ibid.*, pp. 592-597, 600-603. On April 9 the bill was put over to May 7, then to May 21, then to June 4, and it was not again called up.

<sup>10</sup> Certain similarities between the "Observations" and Champion's *Considerations* (see note 2, *ante*) suggest that there is a possible relation between the two.

<sup>11</sup> Representations of one sort or another from the merchants were frequent during the following years. For mention of one such see Adams to Jay, January 4, 1786 (*Works*, VIII. 360; *Dipl. Corr. of U. S. A., 1783-1789*, II. 558).

journed on July 16, the "Observations" could not have been delivered to Pitt after that date save with a view to possible future use.<sup>12</sup> It should be noted further that on April 5 the "Merchants and Traders of London interested in the Commerce of North America" presented to the king an address, in which they express the hope that the laws for the regulation of commercial intercourse between Great Britain and North America "may be made with that liberality which we conceive to be the true Policy of Commercial States".<sup>13</sup>

The proceedings of the new ministry as to American intercourse may be briefly told. During a discussion of Pitt's bill on April 9, Fox, who was now foreign secretary, and was evidently inclined toward a retention of the old policy, held out hopes that a treaty of commerce between the two countries would soon be consummated. His hopes, however, if such he really had, failed of fruition.<sup>14</sup> Meanwhile he proposed as a provisional measure to repeal the prohibitory act, abolish the requirements of manifests, etc., for American vessels, and empower the king in council for a limited time to regulate commerce with the United States. These measures were pushed rapidly to a conclusion (May 12),<sup>15</sup> and on May 14 an order in council was issued opening trade with the United States to a limited extent, somewhat further extended by order in council, June 6. On July 2, however, trade in American ships between the United States and the West Indies was practically prohibited.<sup>16</sup> Of the subsequent proceedings of the British government it is not necessary here to speak. It should be added however that, besides, the economic influences which affected the attitude of the ministry and

<sup>12</sup> After the change of ministry the merchants presented their case also to Fox. See Laurens to Livingston, April 10: "I have conversed with Mr. Fox, from whom the body of merchants by deputation had just retired. Their errand, as I learned, was on the business of opening the communication between Great Britain and the United States. There is a general and pressing eagerness to that point." Wharton, *Dipl. Corr.*, VI. 366. For other interviews of Laurens with Fox see *ibid.*, pp. 358, 360, 493, 637.

<sup>13</sup> London *Gazette*, April 1-5, 1783; Almon's *Remembrancer*, XV. 274. The address is signed by Edward Payne (whose name is attached to the "Observations") and about one hundred and fifty others. A similar address from the Lord Mayor, Aldermen, and Commons of the City of London, on February 26, contained this passage: "We beg Leave to declare it to be our firm Persuasion, that the great Commercial Interests of this Country and of North America, are inseparably united." London *Gazette*, February 25-March 1, 1783.

<sup>14</sup> These negotiations are recorded in Wharton, *Dipl. Corr.*, *passim*.

<sup>15</sup> See *Commons Journals*, XXXIX. 362, 365, 368, 370, 377, 384, 386, 390, 392, 393, 394, 395, 409, 410, 411, 414, 415; *Parliamentary Register*, IX. 600-603, 603-607, 614-618; X. 1; *Parliamentary History*, XXIII. 724-730, 762-767, 894-896.

<sup>16</sup> These orders in council are in the *Lords Journals*, XXXVI. 15, and in the issues of the London *Gazette* for May 13-17, June 3-7, and July 1-5, respectively; that of May 14 is conveniently found in Wharton, *Dipl. Corr.*, VI. 428; that of July 2 is in *ibid.*, p. 541.

Parliament at this time, there were three potent political factors: the commercial agreement between the United States and France, the treatment of the Loyalists, and the internal weakness of the United States.

EDMUND C. BURNETT.

OBSERVATIONS ON THE TRADE, WHICH BEFORE THE LATE WAR SUBSISTED BETWEEN GREAT BRITAIN AND THAT PART OF AMERICA NOW COMPOSING THE UNITED STATES WITH SUCH REGULATIONS AS APPEAR PROPER TO BE ADOPTED FOR THE RECOVERY AND RETENTION OF A CONSIDERABLE PART OF THAT COMMERCE.

The Balance of Trade and the Wealth of Nations depend on the exportation of their Manufactures and produce, and on the Importation of Raw Materials to be used in those Manufactures, Bullion and such other Goods as may again be exported with profit to a foreign Market. The Commercial Regulations which the wisdom of our Ancestors established between this Country and the Colonies in North America were calculated to procure these advantages. Great Encouragement was given to the Importation of American produce and Great Britain secured a sure Market for the Vent of its various Commodities, a constant Nursery for its Seamen and consequently a perpetual Source of maritime Strength. As the Restraints on the Trade and Navigation of the Americans now cease, it is to be considered how our future Commerce with them, which must rest on the broad and firm Basis of mutual Interest, may be best secured;—For this purpose it will be necessary to bring into a comparative view the Encouragements formerly given to the Americans with the advantages derived from their Trade, the better to determine in what Instances the soundest National and Commercial Policy will furnish motives for a continuance of the same System.

Ships built in the United States being now deemed Foreign the use of which has always been held injurious to the national Interest, they cannot become British Bottoms, but when taken as Prize, and are prohibited in many instances to be employed;—It is therefore necessary to observe that shipbuilding was carried on in several provinces, but in Newhampshire and Massachusetts Bay extensively. Such Ships were either sent directly to England for Sale or to the West India Islands with Lumber, Fish and other Articles and being there laden with produce, They were with their Freights consigned to the British Merchants in payment for Goods of which the greatest part were British Manufactures. This Branch of Business was carried on to a large annual Amount and contributed to increase the Shipping and Navigation of Great Britain, but must now cease unless the Legislature should consider it an advantage to exchange British Manufactures for American built Ships, which were a staple Article in those Provinces and a considerable means of Remittance.

Fisheries in various Branches were carried on to a great Extent by the people of New England, and nearly the whole produce to a large Annual Amount centered in this Kingdom. Spermacoeti Oil must still continue to be sent to this Market, if not discouraged, because the consumption of it in other Countries has hitherto been inconsiderable, and the prices consequently lower. The other Species of Whale Oil except what the States retain for home consumption and what they may export

to the West India Islands, will be brought to this Market, because the Dutch Hamburgers and others who carry on the Daviss Straights and Greenland Fisheries supply the Continent with this article at moderate prices, except when they have an unsuccessful Season, in which Case Exports have been made hence. Oil was one great Source of remittance, more than 5000 Tons of both kinds having in some years been imported from Massachusetts and Rhode Island into the Port of London.

Whale Fins were likewise another article of Remittance, and deemed so necessary for various purposes that the Exportation of them from America was restricted by the 4th of Geo: 3d to Great Britain only. As it has been the object of the Legislature to give every encouragement to the Fisheries of British Subjects when the Americans were considered under that description, Whale Oil and Fins the produce of their Fisheries were imported under very light Duties, Train Oil being subject only to 11/8 $\frac{1}{2}$  per Ton and Whale fins to 47/6. P Ton, while the produce of Foreign Fisheries was burthened with heavy Duties, Train Oil paying £15. 16. P Ton and whale Fins £84. 2. P Ton which were tantamount to a prohibition.

Under these Circumstances should it be adviseable to encourage the Importation of Whale Oil and Fins from the United States, the Interposition of parliament will become immediately requisite; For otherwise the next Importation will feel the whole weight of the Aliens Duty, which the Articles cannot bear, It is therefore presumed it will be deemed expedient to admit them on a low or moderate Duty, which as is generally understood will fall upon the consumer.

Pot and Pearl Ashes made in different parts of America may by the 24th. of Geo: 2d. be imported thence Duty free on producing a Certificate that they were of the Product and Manufacture of the British Plantations, and being so useful and even necessary in some of our Manufactures their Exportation was by 4th. Geo: 3d limited to Great Britain yet a late Importation has been charged for want of a Certificate with a Duty of near £30. P Cent on the value of the Goods; This heavy Impost cannot be borne and should Government persist in exacting it we could not expect any Ashes immediately from America, but they would be carried to a foreign port and there shifted, which the difference of Duty would enable the American Trader to do with considerable advantage, so that it will be good policy in the Legislature, if not to grant an entire exemption from Duty as formerly, at least to lower it from 7/1 $\frac{1}{2}$  P Hund: with which these Articles are now chargeable to 2/2 $\frac{1}{2}$  paid on European Ashes; This appears a moderate Impost, and what these articles it may be presumed will bear, yet even this Duty will fall upon our own Manufactures.

Furs have been sent hither from the first settlement of America and upon exportation Bonds were given that they should be imported into Great Britain; affected as this Trade is expected to be in its Circuit by Canada a great Part of what heretofore came that way will most probably be now inverted into New England and New York, in which States as well as in Pennsylvania much Beaver was manufactured and even exported to the West Indies, until upon repeated Complaints from our Hatters the Legislature judged it expedient to forbid the Exportation of Hats under a heavy Penalty, and to restrain the carrying of them by Land or Water into other Provinces; The French it is to be feared will rival us in the manufacture of Furs; It is therefore presumed that

Beaver Skins and other Furs should be received Duty free, as the only means to render Great Britain the Mart for these articles, or should they still continue subject to any Duty, the whole should be drawn back on Exportation. It will moreover be necessary for the better security of this Trade that all the carrying places, Lakes Rivers and other Waters and all ways and passes by land be open to his Majesty's Subjects to pass and repass freely to and from the Indian Country, as well as to the Indians in like Manner from and to the Province of Quebec.

Naval Stores. The Navy and Navigation of England depend on the due supply of necessary Stores which formerly were brought from foreign Countries in foreign Shipping and paid for at exorbitant and arbitrary Rates with Money or Bullion to the great prejudice of the Commerce of this Kingdom. To remedy such great disadvantages as well as to encrease our Shipping and to employ our Seamen, it was found expedient to encourage the Importation of Naval Stores from the Colonies by the following premiums Masts, Yards and Bowsprits 20/- P Ton, besides being Duty Free, Tar fit for Cordage the Barrel of 31½ Gallons 5/6, But if made from green Trees as described in the Act 10/, Pitch the Hundred Wt. 1/, and Turpentine the Hundred weight 1/6.

Parliament having found it the Interest of this Country to give such Encouragement, and to confine the Importation of these articles to Great Britain, it appears highly proper to admit Naval Stores from the United States Duty free, and by preserving a Rival Market keep down the Prices that would otherwise be charged by the northern Nations, the Balance of Trade with which would thereby be rendered less disadvantageous.

Pig and Bar Iron has been imported from America Duty free by the 23. Geo: 2 Chap: 29. and with good policy, being only in its first Stage of manufacture, and serving as Ballast for our Ships; whilst the erecting of Slitting and rolling Mills has been discouraged because they interfered with the Manufactures of this Country; It seems highly expedient to continue the free Importation of Pig and Bar Iron.

Lumber has in like manner not only been imported Duty free but a Bounty was formerly given to encourage the Importation of square Timber Deals, Planks Boards and Staves; It is apprehended that it would be adviseable to allow the free Importation of these Articles and of Mahogany, Lignum Vitoe and all unmanufactured Wood, because they serve for Remittance, and do not interfere with any British Produce.

Logwood Fustick and all other Dying Woods being indispensably necessary for the use of our Manufactures should likewise be admitted Duty free,

Hemp and Flax were not only permitted to be imported free of Duty but a Bounty of £8 Sterlg. P Ton was originally allowed on the Importation of them; It appears therefore proper not to subject them now to any Duty.

Wheat, Flour and various sorts of Grain are shipped in very considerable Quantities from New York and Pennsylvania as well as from other Provinces, but on their future Importation they must be subject to our Corn Laws.

Beef, Pork, Gammons etc. are for the most part exported to the West India Islands; a free Importation of salted Provisions from America has heretofore been allowed.



Flax Seed is exported from America in large quantities to Ireland and it appears proper to leave to the Legislature of that Country to make such Regulations as may encourage its Importation.

Chocolate and Spermaceti Candles, have hitherto been prohibited by excessive Duties, and are so likely to interfere with our own Manufacture that it is deemed impolitic to alter their Duties, unless by Draw back of the whole on Exportation.

Bees Wax has been frequently imported in considerable quantities, and being an Article of great use should be admitted as heretofore.

Tobacco the great Staple of Virginia and Maryland has heretofore been confined in its Exportation to Great Britain; The high Subsidy now paid down upon its Importation operates as a great Impediment to the restoration of the benefit of importing that Commodity for the Supply of foreign Markets because tho' the Duties are drawn back on Exportation yet the present Deposit of £25 P. Hogshead is so large as to require a Capital much more than adequate to any benefit that can accrue to the Merchant and because the wastage and shrinkage in the Warehouse between the Importation and Exportation will under these Duties subject the Importer to a very considerable Loss, which after deducting the 10lb. P. Hogshead usually allowed for such Wastage will not on the most moderate Computation be less than 20/-P. Hogshead.

The present Duties likewise discourage the consumption at home, and afford a great temptation to smuggling and it is presumed it will be found that from these concurrent Causes the Increase of Revenue since the Year 1775 has borne no proportion to the Augmentation of Duties on Tobacco.

It is apprehended for these reasons that a general reduction of the whole Duties to the Standard of 1775 must be highly expedient, as such a Regulation would be productive of the most salutary Consequences in inviting the return of a considerable part of that Commerce, which has for years been lost to this Country; And at the same time that it would discourage Smuggling, would make ample Amends to the Kingdom for any diminution of Revenue by the additional number of Ships which would then be employed and the encreased Export of our Manufactures.

From the many Rivals this Country now has for the Commerce of America it becomes the more necessary to remove every obstruction to our Exportation to the other European Markets; To effect this it is to be considered whether it may not be sound policy to admit the Importation of Tobacco of the Growth of the States to an Entry without any Deposit upon the Importers giving Bond for the Duties, and putting the Tobacco under the King's and Merchants Locks as heretofore practised.

Should not some such regulation take place it is much to be feared that many of the British Merchants, who have Debts Interest and Connections in these States will be led to establish Houses in Foreign Ports to the great prejudice of the Commerce of this Country.

Rice is a principal staple of Carolina and Georgia and being chiefly destined for foreign Markets it will be proper in order to remove Inconveniencies that may attend its Conveyance through the Medium of Great Britain, that Ships arriving with Cargoes of Rice from America in any of the Channel Ports, should be permitted to remain in Harbour for a limited time, without being obliged to report at the Custom house, to give the Correspondent of the proprietors of such Cargoes residing at a distance, a reasonable time to fix and declare the destination of the

Voyage And that the Master should not open his Hatches, so as to break Bulk nor be obliged during that Period to make any other Report of his ship or Cargo than "that he is arrived with a Cargo of Rice, and that he puts in for Orders" but at the expiration of such stipulated Period the Master should be obliged to make a regular Report of his Cargo, or depart for such other Ports as he may be destined for.

Rice under certain Regulations should be permitted to be reported Inwards for Exportation in the same Ship or Ships within a limited time (say 12 Months) free of all Duties, and for the better securing the payment of the Duty on such part thereof as may be consumed in Great Britain, the whole Cargo should be warehoused under the King's and Merchants' Locks, as is now practised with respect to bonded Rum, and if the whole Cargo, after making a reasonable allowance for screening and separating the damaged if any there be, which the Merchant shall have liberty to do for its preservation when necessary, shall not be exported in 12 Months before mentioned, the Merchant should be obliged to pay such Duties upon the same as the Legislature shall impose upon Rice consumed in Great Britain.

But if any part of the Cargo so warehoused shall be required for home consumption during the 12 Months aforesaid, the Collector of the Port where the Rice shall be deposited should at the Merchant's desire be obliged to allow his taking the whole or any part thereof into his own possession upon payment of the Inland Duties, and the quantity so applied for and taken from under the King's Lock should be endorsed off the Quantity originally bonded and be applied in Discharge thereof.

And if after payment of the Duties it should be the Merchants Interest to export such Rice or any part of it to any foreign Market the whole of the Duties should be drawn back provided it be exported within the usual period.

But should the arrival of a Cargo of Rice into any of the Ports of Great Britain from America happen at a time like the present, when it may be lawfully imported free of Duty these Regulations should be dispensed with and the Importer be permitted to keep the same on board his Ship for such length of time as he shall think fit or take the same into his own Warehouse without any Control whatever.

Indico a very necessary Article for our Manufactures has formerly been confined to be brought to Great Britain, and a Bounty of 4*d.* P. lb. was granted on the Importation of it, It should therefore at least continue to be imported free of Duty and if any part of such Indico should be afterwards exported the present Duty of 1*d.* P. lb. payable on Exportation should be discontinued.

Deer Skins being chiefly consumed in Great Britain the Importation of them as heretofore will of course in a great measure be confined to this Country and therefore as a better Market cannot be found by the American Merchant the Duties as they now stand are not deemed too high, but the whole ought to be drawn back on Exportation.

Upon a full Review of the various Branches of which our Import Trade from America consisted, it appears that Goods of the growth and product of that Country have been for the most part admitted Duty free; The Revenue therefore can suffer little or no Diminution by still receiving them in the same Manner; Tobacco is the only Article that can properly be considered an object of Revenue.

It appears also that many Articles of Produce such as Tobacco,

Indico, Fustick and all other Dying Woods, Hemp, Beaver Skins and other Furs, Pitch Tar and Turpentine, Masts, Yards and Bowsprits, whale fins, Raw Silk, Hides and Skins, Pot and Pearl Ashes, were confined to be brought to Great Britain only, But to encourage the Importation of them and other raw Materials, and to give them a preference in our Markets they were not only in most Cases exempted from Duties but even Bounties were granted on many of them, because they were essential to our Manufactures and beneficial to the Naval and commercial Interest of the Kingdom.

From the foregoing Considerations it appears expedient that all such Goods of the growth and produce of America, as have been imported Duty free, or on which Bounties have been allowed should still be admitted free of Duty, And that all Goods liable to Duty, should if declared for Exportation be also imported and exported Duty free, allowing a liberty to the Importer within a certain Time to vend them for home Consumption paying home Duties, the Articles remaining under the Care of the Custom house limiting the charges or to charge Duties only upon such parts as shall be declared for Inland Consumption For unless every difficulty in the way of Great Britain being the Medium thro' which the Produce of America is to be conveyed to foreign Markets, be removed, the Navigation of this Country will receive a most essential Injury by the Ships of other Countries being made the Carriers of it to Ports where it is ultimately consumed, and the Merchants of Great Britain will be deprived of receiving their Remittances from America in the principal Staples of that Country.

#### Exports.

It has been stated that the Importation of Goods of the produce of the United States ought by all means to be encouraged in some cases by exemption from Duties, in others by very moderate Duties being charged And if these Goods should be exported to other Nations of Europe that the whole of those Duties ought to be drawn back in order to render Great Britain the medium of that Trade; Upon the same principle unquestionably ought our Export Trade to be regulated whereby this Country has derived great Riches and become the Envy of other Commercial Nations.

Among the misfortunes that have attended the late unhappy War we have to lament the Wound our Commerce has received by the Introduction of the Manufactures of other Countries into the United States of America.

Formerly we exported to America various Articles imported from other Nations, but the Manufactures of our own Country formed the principal part of our Exports. Both these Branches will, under the present Circumstances require the encouragement of the Legislature.

Many of our manufactures are subject to an Excise Duty which is drawn back on Exportation, and Bounties are allowed on others when shipped to certain places. The Motives which induced the Legislature to grant such Bounties will point out the expediency of extending the same to those Articles when exported to the United States.

The necessity of granting liberal Bounties on our Manufactures will appear if we consider what will be the situation of many of them particularly those of *Silk Linen Cordage* and *Sail Cloth*, should not such Bounties be granted.

The Silk Manufacture has a claim to particular attention as being one of the most valuable, as furnishing Employment for a very considerable number of our poor, and as being in great Danger from the Rivalship of France.

Linens are a very considerable manufacture in this Country and are exported to America not only plain, but in large quantities when further manufactured by printing. A continuation of former Bounties will appear highly proper when it is considered that many foreign Markets for plain and printed Linens are now open to America.

The Manufacture of Cordage has long been carried on by the Americans to a considerable extent and it cannot be doubted but that they will still industriously apply themselves thereto unless the price of British Cordage should be so reduced in consequence of a Liberal Bounty being granted thereon, as to render the Manufacture of the Article an Object of less Importance to the United States.

Sail Cloth is also a very considerable Manufacture in this Country and requires every attention to preserve it. Holland and Russia have extensive Manufactures of this Article, and will prove very formidable Rivals at the American Market. The Bounty formerly granted must be continued if not encreased, or this Branch of our Manufacture for Exportation will be lost.

Ireland also has a considerable Manufacture of Sail Cloth and will of course extend their Bounty on Exportation. It is proper to be observed that the Bounties on Silk Cordage and even Sail Cloth, are actually no more than the Drawback of the Duties paid on the Importation of Raw Silk and Hemp.

It cannot be supposed that America will apply to us for Foreign Goods unless the Duties paid here on their Importation should be drawn back when exported to the United States. If this Plan should not be adopted, they will have the strongest Inducements to procure such Goods from the first Markets; and Great Britain will no longer be the Emporium of that Branch of the American Commerce.

It is reasonable to expect that the Superiority of our Manufactures will insure them a preference to those of other Countries and if our future Trade with the United States should be carried on upon a liberal System, it is not likely that they will at present make new Attempts to rival us in those Manufactures, but will turn their principal attention to an object of far greater Importance to their Interest, The clearing and cultivation of their Land.

If in our past commercial Intercourse with North America we had not experienced what great advantages arise from giving Encouragement to Trade, If we had not been convinced that by the operation of this Principle both Countries were advanced to their late flourishing situation, we might draw a profitable Lesson from the States of Holland, which in consequence of a liberal System of Commerce, have, without the advantage of any Staple Commodities, rendered themselves the Emporium of the Trade of Europe;

The Committee having stated their observations upon the Trade with North America beg leave to recommend that Provision be made in the Treaty with the United States for the securing and recovering of British Debts upon principles similar to those of the Act of 5th Geo: 2d

22nd. July 1783. By Desire of the Committee of American Merchants.  
EDWD. PAYNE.

[*Endorsement.*]

Observations

on the Trade of North America  
by the Committee of American  
Merchants.

2. *George Rogers Clark to Genet, 1794.*

THE following letter of General George Rogers Clark to Genet, the minister of the French Republic, recently came into the possession of Mr. Stan. V. Henkels of Philadelphia, and it is through his kindness that we are enabled to offer it to the readers of the REVIEW. Little explanation of the letter is necessary beyond referring it to its proper place in the collection of the correspondence of Clark and Genet concerning the proposed French expedition against Louisiana in 1793-1794, which was published in the report of the Historical Manuscripts Commission for 1896.<sup>1</sup> At the time when this letter was written Clark had for several months been active, under a commission from Genet, in organizing the expedition; Michaux, an agent of Genet, who had spent the autumn in Kentucky engaged with Clark in intrigues and preparations, had returned to Philadelphia, ostensibly for funds; Lachaise, another agent, who had been busy in Kentucky since the preceding December,<sup>2</sup> was now taking his departure. Genet, meanwhile, had been recalled by his government, Fauchet, his successor, had revoked all commissions and ordered the expedition stopped,<sup>3</sup> and Washington had issued his proclamation against it.<sup>4</sup> Clark had learned of Fauchet's proclamation, but the news of the President's proclamation probably had not reached him.

A peculiarity of this letter as written by Clark is that every line

<sup>1</sup> American Historical Association *Report*, 1896, I. 930-1107. The commission's report for 1897 (*Am. Hist. Assoc. Report*, 1897, pp. 569-679) included the Mangourit correspondence, relating primarily to an allied expedition to be conducted by General Elijah Clark against Florida, but bearing also upon the Louisiana project; and the report for 1903 (*Am. Hist. Assoc. Report*, 1903, II.) comprised the correspondence of the French ministers in the United States, 1791-1797, much of which is concerned with the Louisiana part of the scheme. Some related documents were published in the issues of this journal for April, 1897, and April, 1898 (II. 474-505, and III. 490-516). Attention may also be called to Professor Frederick J. Turner's article on the initial stages of the Genet episode: "The Origin of Genet's projected Attack on Louisiana and the Floridas", published in the issue of the REVIEW for July, 1898 (III. 650-671).

<sup>2</sup> See *AM. HIST. REV.*, III. 512.

<sup>3</sup> March 6, 1794. *Am. Hist. Assoc. Report*, 1897, p. 629. See also *Am. Hist. Assoc. Report*, 1903, II. 306.

<sup>4</sup> March 24, 1794. Richardson, *Messages and Papers of the Presidents*, I. 157.